

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION**  
**OF SOUTH CAROLINA**  
**Docket No. 2018-322-E**

In Re:	)	
	)	
Application of Duke Energy Progress,	)	
LLC for Approval of Proposed Electric	)	<b>STIPULATION</b>
Transportation Pilot and An Accounting	)	
Order to Defer Capital and Operating	)	
Expenses	)	

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This Stipulation is entered into by and between the South Carolina Office of Regulatory Staff (“ORS”) and Duke Energy Progress, LLC (the “Company”) (together, the “Parties”) as of September 9, 2020.

WHEREAS, on October 10, 2018, the Company filed an application in the above-referenced proceeding for approval its electric transportation pilot (“ET Pilot”) described therein (“Application”);

WHEREAS, the Application sought approval of three programs: an Electric Vehicle (“EV”) School Bus Program, an EV Transit Bus Program, and a DC Fast Charging Program;

WHEREAS, the Application also sought an accounting order for regulatory and financial purposes authorizing the Company to defer in a regulatory asset the costs associated with the ET Pilot—to include the related depreciation expense, property tax expense, and incremental operation and maintenance (“O&M”) expenses, as well as the carrying cost on the investment and on the deferred costs at its weighted average cost of capital—until the Company’s next general rate case following deployment of the ET Pilot;

WHEREAS, the Company participated in stakeholder working group sessions, and filed an amended application on April 1, 2019 to reflect portions of feedback and recommendations received during those stakeholder working group sessions (“Amended Application”);

WHEREAS, the Parties have determined that their interests and those of the public would be best served by reaching an agreement on these matters under the following terms, and the Parties stipulate and agree as follows:

1. The Company agrees to withdraw its request for approval of the EV School Bus Program and EV Transit Bus Program, and to investigate alternative designs for these programs to be proposed at a later date, including but not limited to potential reconfiguration of the offerings consistent with that offered in North Carolina. In order to maximize the stakeholder work already done in this docket, the Company agrees to file any new, successor school or transit bus offering in this docket.

2. The Parties agree that the DC Fast Charging Program should be approved as proposed in the Amended Application. The Company estimated the cost of the DC Fast Charging Program, excluding education/outreach and ongoing O&M, is \$2.61 million for 20 charging stations.

3. The Parties agree that all costs associated with the ET Pilot—to include the related depreciation expense, property tax expense, education and outreach expenses, and incremental operation and maintenance (“O&M”) expenses—shall be reviewed by ORS for prudence and potential recovery in a subsequent base rate case.

4. The Parties agree that—in light of the extensive comments, stakeholder process, and allowable ex parte briefing conducted in this proceeding—pre-filed testimony and a hearing are not necessary for the resolution of this proceeding.

5. The Company agrees to issue a final report with the Commission within 180 days after the ET Pilot ends. The final report shall include but is not limited to: a cost-benefit analysis for the DC Fast Charging Program; identification of tangible benefits for the Company's South Carolina customers; a cost-benefit analysis for each DC Fast Charging station; overall cost figures and load profiles of DC Fast Charging Stations; information about charging station costs; insights learned by the Company regarding the effect of the program on the electric vehicle supply equipment ("EVSE"); EV market development in South Carolina; and lessons learned.

6. The Company shall conduct an ongoing stakeholder engagement process with interested parties in an effort to understand each parties' experience with the ET Pilot and the effectiveness of the Pilots' programs. Under this process, the Company would host annual meetings to provide stakeholders with updates on the Pilots' programs, and permit stakeholders to ask questions and provide feedback. The Company proposes to document these stakeholder meetings and provide summaries to the Commission as part of the Company's annual and final ET Pilot report.

7. The Parties agree that this Stipulation is reasonable, is in the public interest, and is in accordance with law and regulatory policy.

8. The Parties agree to cooperate in good faith with one another in recommending to the Commission that this Stipulation be accepted and approved by the Commission as a fair, reasonable and full resolution in the above-captioned proceeding. The Parties, including their agents, further agree that communications regarding the Stipulation, either between the Parties or with non-signatories hereto, shall be supportive of the terms agreed to in this Stipulation.

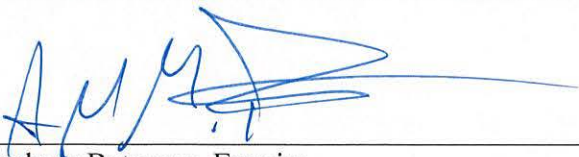
9. This written Stipulation contains the complete agreement of the Parties regarding this matter. There are no other terms or conditions to which the Parties have stipulated. This Stipulation integrates all discussions among the Parties into the terms of this written document.

10. The Parties agree that this Stipulation will not constrain, inhibit or impair their arguments or positions held in future proceedings, nor will this Stipulation or any of the matters agreed to in it be used as evidence or precedent in any future proceeding.

11. If the Commission should decline to approve this Stipulation in its entirety, then any Party desiring to do so may withdraw from this Stipulation without penalty.

12. Each Party acknowledges its consent and agreement to this Stipulation by authorizing its counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and e-mail signatures shall be as effective as original signatures to bind any Party. This document may be signed in counterparts, with the various signature pages combined with the body of the document constituting an original and provable copy of this Stipulation.

**SOUTH CAROLINA OFFICE OF REGULATORY STAFF**



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**DUKE ENERGY PROGRESS, LLC**

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